



AMERICAN CATALOG  
MAILERS ASSOCIATION

*Your Catalog Advocate!*

September 15, 2009

**Exclusive Member Bulletin:**

**"Winter Sale" details taking shape; potential for this new incentive increasingly realistic**

Dear Member:

Momentum is building at the USPS for a "Winter Sale" event to follow on the heels of the Summer Sale incentive for Standard Mailers. This latest incentive round would have some similar features, but also notable differences, from the previously announced Summer Sale incentive.

ACMA has put together a prediction for its members based on a variety of discussions with those knowledgeable and close to the situation in Washington. We believe it to be a reasonably accurate forecast of what will ultimately be offered, but mailers should know that nothing has been finalized by the USPS Board of Governors nor officially submitted to the PRC. Any of these parameters can still change completely. However, to give you the maximum possible time to prepare, we are sharing what we believe may happen in a few weeks or next month.

Here is what we expect: a new incentive will be filed with the PRC as early as next week (but more likely at the end of the month or even early October) that will offer the top 3,500 mailers (up from the 3,000 qualifying for the Summer Sale) an incentive to increase their mail volume from January to March 2010. The incremental volume will receive a 30% discount (but it could be 25% or even 20% in the final version) on mail volume over that sent in the same period last year. In other words, any volume increase over what you mailed from the January 1 to March 31, 2009 time frame would qualify for the incentive rebate for the same period this next year. Unlike the Summer Sale, there won't be a comparative period to establish a trend line. The assumption is that by January 2009, Standard Mail volumes had already dropped so it is not necessary. As before, the discount would be applied as a rebate to your CAPS account (or other payment mechanism) sometime after the sale ends and the accounting is complete. The USPS will "bookend" your mail volume to prevent load shifting from December 2009, or April 2010, by requiring you mail the same amount (or more) in these two months that you did in the same months of the prior year or face an adjustment to the rebate amount as is being made in the current program.

It is not clear how the PRC will view this new incentive proposal. We have been working to educate PRC staffers on the myriad of issues involved here. ACMA is helping to set up yet another meeting next month for the same purpose. At this point, I would handicap the likelihood of a Winter Sale at 75%.

The argument for a lower than 30% discount is that mail volumes are higher in January to March than they are in the summer.

I have asked the USPS to consider moving this sale event a week or so earlier so the after Christmas drops can be considered. There is no word on this request as of today.

Those who have multiple titles under common ownership will have volumes combined, as was done previously. Let me know if this presents a problem for you.

Most of the administrative mechanisms developed for the Summer Sale will be employed again for this incentive, assuming it materializes.

I am happy to return to the USPS with feedback as I did last time when the program was in the discussion phase and being finalized. Please email me with any thoughts or concerns and I will pass them in. Remember to keep me wired in as to whether you participated in the Summer Sale and what impact it has had on your mail volumes. Arm me with specifics and instruct me on their use so I can "sell" the idea of price incentives. The more I know about your mail profile and management decisions, the better job I can do getting through to those who matter.

As always, please let me know how I can be of service.

Sincerely,



Hamilton Davison  
Executive Director  
American Catalog Mailers Association  
[www.catalogmailers.org](http://www.catalogmailers.org)  
Telephone: 1-800-509-9514  
Email: [hdavison@catalogmailers.org](mailto:hdavison@catalogmailers.org)  
Direct telephone: 1-401-529-8183

PS: I am putting together a survey for Summer Sale participants so we can systematically capture the total benefit to the USPS to give us a "selling tool" for additional incentives. If you are a Summer Sale participant and are not sure I know this already or if you can now give me a better feel for how the incentive impacted your business decisions, please email me. I want to be sure you are included in the survey. I am not planning on sending it out to the general membership.